



October 2010

SCHOOL FINANCE UPDATE

A Monthly Newsletter Published by the School Finance Division

Denise Juneau, State Superintendent
Montana Office of Public Instruction
PO Box 202501
Helena, MT 59620-2501

Phone (406) 444-3024
FAX (406) 444-0509
<http://www.opi.mt.gov>



This newsletter is emailed to school districts, county superintendents, county treasurers, and auditors each month. The newsletter is intended to reach all district staff involved in budgeting, accounting, enrollment, special education funding, and federal programs. Please forward it to all interested parties. Got suggestions for items to include here? We'd love to hear from you!

MAEFAIRS Open for Fall Student Count for ANB

The MAEFAIRS web application is open for Fall Student Count for ANB importing from AIM.

The official fall count day is Monday, October 4, 2010. **In an effort to give district AIM staff the opportunity to verify and finalize enrollment data, the Student Count for ANB must be imported on or after October 18, 2010.** You may import data prior to the 18th in order to review the information and investigate discrepancies; however, you will not be able to submit to OPI prior to importing on or after October 18. You may import as many times as necessary.

MAEFAIRS Student Count for ANB must be submitted **no later than October 25, 2010.**

The following resources are located on the OPI website:

- ANB memo at: http://www.opi.mt.gov/pdf/SchoolFinance/Enrollment/ANB_Info.pdf
- Reporting Instructions:
<http://www.opi.mt.gov/pdf/SchoolFinance/Enrollment/EnrollmentInstructions.pdf>
- Step-by-step Student Count for ANB Instructions:
<http://www.opi.mt.gov/pdf/SchoolFinance/Enrollment/EnrollmentInstructions.pdf>

Questions:

- For MAEFAIRS questions, or to correct data once it has been submitted, please contact Nica Merala at (406) 444-4401 or by email at nmerala@mt.gov.
- For AIM questions, including how to correct student information in order to be included in the MAEFAIRS enrollment count, please contact the AIM Helpdesk at 1-877-424-6681, or locally at (406) 444-3800 or by email at opiainhelp@mt.gov

OPI Contact: Nica Merala, (406) 444-4401 or nmerala@mt.gov.

Important Transportation Program Deadline

By November 10, the county superintendent must electronically approve each bus route form (TR-1) submitted by a school district. By mid-November, OPI will electronically notify county superintendents and district clerks of the approved rates for individual and isolated contracts. See 10.7.101, Administrative Rules of Montana.

OPI Contact: Maxine Mougeot, (406) 444-3096 or mmougeot@mt.gov.

ARRA SFSF Monitoring Survey Due October 31

As prime recipient of State Fiscal Stabilization Funds (SFSF) provided by the American Recovery and Reinvestment Act (ARRA), the Office of Public Instruction (OPI) must monitor its sub-recipients' compliance with several key requirements of the program. OPI has developed a survey in the MAEFAIRS system to collect information about a school district's use of ARRA SFSF funds.

The survey has two areas of questions: 1) SFSF Procedures and Uses and 2) Education Reform Areas. The survey questions were reviewed at the MASBO summer conference and at the OPI School Finance budgeting and accounting workshops this summer. OPI recommends the district superintendent and clerk/business manager work together to answer the survey questions.

Completion of the survey is mandatory for all sub-recipients of ARRA SFSF funds. School districts received ARRA SFSF funds in FY2010 as part of the general fund direct state aid payment. Special education cooperatives are not required to complete the survey.

The survey for SFSF funds used during FY2010 (July 1, 2009 through June 30, 2010) is now open in the MAEFAIRS system. Log in to the MAEFAIRS system at <http://data.opi.mt.gov/Maefairs/frmLogin.aspx?ReturnUrl=%2fMaefairs%2ffrmDefault.aspx>. Place your cursor on Data Entry and click on ARRA SFSF Monitoring Survey. Choose the legal entity from the drop down box. Read the instructions on the General Info tab and complete the report.

The report must be submitted to OPI **no later than October 31, 2010.**

If you have questions about the SFSF Procedures and Uses section, please contact), Adam Anfinson at (406) 444-4524 (aanfinson@mt.gov) or Denise Ulberg at (406) 444-1960 (dulberg@mt.gov). Questions about the Education Reform Areas section should be directed to Joan Anderson at (406) 444-2562 (janderson@mt.gov).

OPI Contact: Denise Ulberg, (406) 444-1960 or dulberg@mt.gov

Education Jobs Fund

On September 13, U.S. Secretary of Education Arne Duncan approved the State of Montana's application for \$30.7 million for the Education Jobs Fund program. Governor Schweitzer's office submitted the application to the USDE on September 8. The Governor's Office has directed the Superintendent of Public Instruction to distribute the Education Jobs Fund monies to schools in FY2010-11 to fund K-12 BASE Aid. These federal monies will not provide any new resources to schools. Instead, the Governor's Office has directed that the federal monies will replace state general fund dollars that were allocated by the legislature to fund schools in FY2010-11.

The OPI expects to distribute this money to schools on a quarterly reimbursement basis similar to the ARRA State Fiscal Stabilization Funds (SFSF). The funds will be paid into a school district's General Fund (01) with the Direct State Aid (DSA) payments. The OPI School Finance Division is currently working on programming in the MAEFAIRS system and on-line guidance about how to account for and meet the reporting requirements of the Education Job Fund monies. Please watch the OPI Official Email for more information.

**OPI Contacts: Denise Ulberg, (406) 444-1960 or dulberg@mt.gov
Adam Anfinson, (406) 444-4524 or aanfinson@mt.gov**

**Changes to
FY2009-10
Trustees
Financial
Summary (TFS)**

If you find a material coding error on your FY2009-10 Trustees Financial Summary (TFS), you may submit a revision to Rebecca Phillips in the School Finance Division. As provided in 10.10.504(6), Administrative Rules of Montana, changes to the FY2009-10 TFS are limited to:

- coding revisions between revenue and expenditure line items providing no change occurs in the fund balance of the budgeted funds, and
- revisions in the balance sheet accounts provided no change occurs in the fund balance of the budgeted funds.

OPI cannot process TFS changes that affect the fund balance in a budgeted fund because fund balance is carried forward to the FY2010-11 budget, and a change in fund balance may impact the number of mills already levied in the fund.

Revisions should be submitted to Rebecca Phillips in the School Finance Division by following these procedures:

1. Photocopy the original page of the TFS with amounts to be revised crossed out and the correct amount written above it.
2. When sending balance sheet account revisions, please also send any expenditure and revenue line item changes that correlate with such changes. The fund balance on the balance sheet should equal the ending fund balance shown on the statement of revenues, expenditures and change in fund balance report after the revisions are made.
3. Fax the revisions to Rebecca at (406) 444-0509 or mail them to her at P.O. Box 202501, Helena, MT 59620-2501. Please submit the revisions **by December 10** so that questions or problems related to processing the changes can be addressed before school districts are closed for the holiday break.

Note that immaterial line item coding changes or changes that affect fund balance in the budgeted funds for FY2009-10 must be reported as prior period adjustment in the TFS for the current year (FY2010-11). The district may need to adopt a budget amendment for the current year to record a prior period expenditure adjustment in a budgeted fund.

OPI Contact: Rebecca Phillips (406) 444-0783 or rphillips2@mt.gov.

**FY2009-10
Career &
Technical
Education
(CTE)
Expenditures**

One of the factors used by the OPI to allocate state CTE funds is CTE expenditures reported on the Trustees Financial Summary (TFS). Expenditures in the General Fund (01) with program code 39X and object codes 3XX - 8XX are used in the allocation formula.

FY2009-10 TFS expenditure data affects the FY2011-12 allocation of state CTE funds. School districts that receive state CTE funds are encouraged to review their FY2009-10 TFS report to ensure CTE expenditures are accurate.

Please note that having expenditures for CTE in the general fund will increase your CTE allocation only slightly. To review some of the possible outcomes, you might consider reviewing the prior year payment details listed at <http://www.opi.mt.gov/pdf/Payments/10FinalVoEdStPaymentLE.pdf> to determine the effect adjusting your TFS expenditure would have.

OPI Contact: Rebecca Phillips (406) 444-0783 or rphillips2@mt.gov.

FY2009-10 Grant Projects

Final expenditure reports are due no later than November 10 for the following grants that ended September 30:

E-Grant Projects

ESEA/NCLB Consolidated
Title I A – Basic
Title I A – Schoolwide
Title II A – Improving Teacher Quality
Title II D – Education Technology
Title III A – English Language Acquisition
Title IV A – Safe & Drug-Free Schools
Title VI B – Rural and Low-Income Schools (RLIS)

Non E-Grant Projects

Title II B – Math/Science Partnerships
Improvement 1003 (g)
Reading First
Even Start
Neglected & Delinquent
McKinney-Vento Education for Homeless Youth

OPI federal grant accountants are available for questions:

Jurenne Fuchs, (406) 444-2560 or jfuchs@mt.gov
Sunni Hitchcock, (406) 444-3408, or sunni@mt.gov
Charlotte McMillin, (406) 444-4403, or cmcmillin@mt.gov

OPI Contact: Julia Dilly, (406) 444-4523 or jdilly@mt.gov

Montana Conference of Education Leadership (MCEL)

MCEL 2010 will be held on October 20-22 at the Holiday Inn Grand Montana, 5500 Midland Road, Billings. Registration and additional information is located at this link: <http://www.sammt.org/sammt/icalSW/eventDetail.asp?DID=15969>.

For more information, please contact Robert Bayuk at MASBO, (406) 443-0631 or rbayuk@masbo.com.

MASBO New Clerk Academy

The Montana Association of School Business Officials (MASBO) will hold its New Clerk Academy on November 18-19 at Jorgenson's, 1714 Eleventh Avenue, Helena. A registration form is located at this link: <http://fs3.formsite.com/masbo/NewClerkAcademy/index.html>

For more information, please contact Robert Bayuk at MASBO, (406) 443-0631 or rbayuk@masbo.com.

FY2010-11 DSA ARRA GF SFSF Entitlement Payments - Final Amounts

The Office of Public Instruction (OPI) has posted a spreadsheet to show the final amount of FY2010-11 General Fund Direct State Aid (DSA) payments supported by American Recovery and Reinvestment Act (ARRA) State Fiscal Stabilization Funds (SFSF) appropriated in House Bill 645 from the 2009 legislative session. The spreadsheet is located on the OPI website at this link: http://www.opi.mt.gov/pdf/SchoolFinance/Entitle/FY11_SFSF_DSA_ARRA.xls.

State Fiscal Stabilization Funds (SFSF) will be paid through the Direct State Aid (DSA) payment to districts based on reimbursement requests made on the ARRA Quarterly reports submitted in the MAEFAIRS system.

Contact Donell Rosenthal at (406) 444-3024 if you have problems accessing the spreadsheet.

Contact Denise Ulberg at (406) 444-1960 or dulberg@mt.gov with questions about the HB645 appropriations for ARRA State Fiscal Stabilization Funding for K-12 Education.

Contact Adam Anfinson at (406) 444-4524 or aanfinson@mt.gov with questions about the ARRA Quarterly reporting process.

OPI Contact: Denise Ulberg, (406) 444-1960 or dulberg@mt.gov

FY2010-11 HB645 Special Education Allowable Cost Payments - Final Amounts

General Fund Special Education Allowable Cost (SPED) payments to school districts in FY2010-11 are supported by two sources: 1) the state general fund as appropriated in House Bill 2 (HB2), and 2) House Bill 645 (HB645) appropriations of state general fund revenue. The OPI will distribute the HB645 portion to districts in the Instructional Block Grant, which is included within the state's SPED payments.

Note: Special education cooperatives do not receive Instructional Block Grant amounts, so this memo does not apply to cooperatives.

SPED payments are paid to the school district General Fund (01). The OPI has posted a spreadsheet to show the final amount of FY2010-11 Special Education Allowable Cost Payments supported by funds appropriated in House Bill 645. The spreadsheet is located on the OPI website at this link:

http://www.opi.mt.gov/pdf/SchoolFinance/Entitle/FY11_HB645_SPED_ARRA.pdf.

HB645 SPED funds will be paid as part of the October 2010 SPED payment to districts. The official email for the October state funding payments will include instructions for the proper accounting of HB645 SPED funds. Special education cooperatives are not affected by this payment.

Please contact Donell Rosenthal at (406) 444-3024 if you have problems accessing the spreadsheet.

Accounting questions should be directed to Rebecca Phillips at (406) 444-0783 or rphillips2@mt.gov.

OPI Contact: Denise Ulberg, (406) 444-1960 or dulberg@mt.gov

Verification Packets for School Lunch Applications

School lunch applications require annual verification. The OPI School Nutrition Programs recently sent an instruction packet to your district. The packet includes information that will help you verify the income of a select group of applications starting October 1st.

To make the process easier, work now to organize meal applications into four groups of eligibility approval: 1) direct certified, 2) eligible for free based on income case number, 3) eligible for reduced price, and 4) denied. You can reduce the number of applications to verify by directly certifying families receiving SNAP (food stamps).

Verification of income on select applications must be completed by November 15, 2010.

Please be diligent with follow-up by documenting contact with the family and doing your best to achieve a 100% response rate.

OPI Contact: Teresa Motlas, (406) 444-2501 or tmotlas@mt.gov

Handy Tools for Clerks – Excel Spreadsheets

OPI has some spreadsheets available to help clerks perform common duties. Spreadsheets are posted on the School Finance - Accounting web page at <http://www.opi.state.mt.us/schoolfinance/Acct.html>

Spreadsheets include:

- Fund 15 Recap - Reconciling Cash in the Miscellaneous Programs Fund
- Reconciling Cash to the County Treasurer
- Student Activity Fund Recap

OPI Contact: Adam Anfinson, (406) 444-4524 or aanfinson@mt.gov

Useful Links

ARRA Quarterly Reporting, Accounting Guidance and Other Resources
<http://www.opi.mt.gov/Finance&Grants/SchoolFinance/Index.html>

State Entitlement Payments to Schools:
http://www.opi.mt.gov/Finance&Grants/schoolfinance/Index.html#p7GPc1_9

School Accounting:
http://www.opi.mt.gov/Finance&Grants/schoolfinance/Index.html#p7GPc1_3

Forms and Publications & Tuition:
http://www.opi.mt.gov/Finance&Grants/schoolfinance/Index.html#p7GPc1_10

Pupil Transportation:
http://www.opi.mt.gov/Programs/SchoolPrograms/Pupil_Transportation/index.html

Enrollment and ANB:
http://www.opi.mt.gov/Finance&Grants/schoolfinance/Index.html#p7GPc1_8

Audit Information: http://www.opi.mt.gov/Finance&Grants/schoolfinance/Index.html#p7GPc1_4

School Finance Division Staff

Nica Merala nmerala@mt.gov
Janelle Mickelson jmickelson@mt.gov
Rebecca Phillips rphillips2@mt.gov
Paul Taylor ptaylor2@mt.gov
Adam Anfinson aanfinson@mt.gov

Kathleen Wanner kwanner@mt.gov
Denise Ulberg dulberg@mt.gov
Donell Rosenthal drosenthal@mt.gov
Maxine Mougeot mmougeot@mt.gov